

UNITED STATES CELLULAR CORP  
Form 10-Q  
August 08, 2011

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**UNITED STATES**  
**SECURITIES AND EXCHANGE COMMISSION**  
**Washington, D.C. 20549**

**FORM 10-Q**

x **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**For the quarterly period ended June 30, 2011**

**OR**

.. **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES  
EXCHANGE ACT OF 1934**

**For the transition period from** \_\_\_\_\_ **to** \_\_\_\_\_

**Commission File Number 1-9712**



**UNITED STATES CELLULAR CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
(State or other jurisdiction of

**62-1147325**  
(I.R.S. Employer Identification No.)

incorporation or organization)

**8410 West Bryn Mawr, Suite 700, Chicago, Illinois 60631**

(Address of principal executive offices) (Zip Code)

Registrant's telephone number, including area code: **(773) 399-8900**

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes  No

Indicate by check mark whether the registrant has submitted electronically and posted on its corporate Web site, if any, every Interactive Data File required to be submitted and posted pursuant to Rule 405 of Regulation S-T during the preceding 12 months (or for such shorter period that the registrant was required to submit and post such files). Yes  No

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

Smaller reporting company

(Do not check if a smaller reporting company)

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes  No

Indicate the number of shares outstanding of each of the issuer's classes of common stock, as of the latest practicable date.

<b>Class</b>	<b>Outstanding at June 30, 2011</b>
Common Shares, \$1 par value	51,531,111 Shares
Series A Common Shares, \$1 par value	33,005,877 Shares

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**For the Quarterly Period Ended June 30, 2011**  
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**Consolidated Statement of Operations**

	<b>(Unaudited)</b>			
	<b>Three Months Ended June 30,</b>		<b>Six Months Ended June 30,</b>	
<b>(Dollars and shares in thousands, except per share amounts)</b>	<b>2011</b>	<b>2010</b>	<b>2011</b>	<b>2010</b>
<b>Operating revenues</b>				
Service	\$ 1,002,030	\$ 972,576	\$ 1,987,143	\$ 1,937,584
Equipment sales	74,152	57,317	146,131	116,166
Total operating revenues	1,076,182	1,029,893	2,133,274	2,053,750
<b>Operating expenses</b>				
System operations (excluding Depreciation, amortization and accretion reported below)	227,801	213,542	445,404	420,656
Cost of equipment sold	168,614	161,965	362,974	323,070
Selling, general and administrative (including charges from affiliates of \$25.8 million and \$26.4 million, respectively, for the three months, and \$51.9 million and \$54.1 million, respectively, for the six months)	426,172	445,177	868,176	874,782
Depreciation, amortization and accretion	148,283	144,455	293,328	287,688
Loss on asset disposals, net	2,922	1,250	3,959	6,426
Total operating expenses	973,792	966,389	1,973,841	1,912,622
<b>Operating income</b>	102,390	63,504	159,433	141,128
<b>Investment and other income (expense)</b>				
Equity in earnings of unconsolidated entities	22,469	25,753		